

**CHAPTER 1134****SOLAR ENERGY EQUIPMENT SALES TAX EXEMPTION***S.F. 2398*

**AN ACT** providing a sales tax exemption for purchases of solar energy equipment.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 423.3, Code Supplement 2005, is amended by adding the following new subsection:

**NEW SUBSECTION.** 89. The sales price from the sale of solar energy equipment. For purposes of this subsection, "solar energy equipment" means equipment that is primarily used to collect and convert incident solar radiation into thermal, mechanical, or electrical energy or equipment that is primarily used to transform such converted solar energy to a storage point or to a point of use.

Approved May 30, 2006

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**CHAPTER 1135****RENEWABLE AND WIND ENERGY TAX CREDITS***S.F. 2399*

**AN ACT** relating to renewable energy including the renewable energy tax credit and the wind energy production tax credit and including effective dates.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 476B.1, subsection 4, paragraph c, Code Supplement 2005, is amended to read as follows:

c. Was originally placed in service on or after July 1, 2005, but before July 1, 2008 2009.

Sec. 2. Section 476B.5, subsection 1, paragraph e, Code Supplement 2005, is amended to read as follows:

e. A copy of an executed power purchase agreement or other agreement to purchase electricity upon completion of the project. An executed interconnection agreement or transmission service agreement shall be accepted by the board under this paragraph if the owner of the facility has agreed to sell electricity from the facility directly or indirectly to a wholesale power pool market.

Sec. 3. Section 476B.5, subsection 3, Code Supplement 2005, is amended to read as follows:

3. A facility that is not operational within eighteen months after issuance of an approval for the facility by the board shall cease to be a qualified facility. However, a facility that is approved as qualified under this section but is not operational within eighteen months due to the unavailability of necessary equipment shall be granted an additional twelve months to become operational. A facility that is granted and thereafter loses approval may reapply to the board for a new determination.